

(A) described in paragraphs (1) through (6) of section 1705(a) of title 38, United States Code; and

(B) enrolled under subsection (a) of such section 1705;

(2) may enter into any contract under section 8153 of title 38, United States Code;

(3) shall, in exercising the authority of the Secretary under this section to contract for hospital care, provide for ongoing oversight and management, by employees of the Department, of the hospital care furnished such veterans; and

(4) shall, in the case of a designated center which ceases to provide services under the program—

(A) ensure a reallocation of funds as provided in subsection (h); and

(B) provide reemployment assistance to employees.

(h) FUNDS ALLOCATION.—In carrying out subsection (g)(4), the Secretary shall ensure that not less than 90 percent of the funds that would have been made available to a designated center to support the provision of services, but for such mission change, shall be made available to the appropriate health care region of the Veterans Health Administration to ensure that the implementation of the plan under subsection (g) will result in demonstrable improvement in the accessibility, and quality of service provided, to veterans in the catchment area of such center.

(i) SPECIALIZED SERVICES.—The provisions of this section do not diminish the obligations of the Secretary under section 1706(b) of title 38, United States Code.

(j) REPORT.—Not later than 12 months after implementation of any plan under subsection (b), the Secretary shall submit to Congress a report on the implementation of the enhanced service program.

(k) RESIDUAL AUTHORITY.—Nothing in this section may be construed to diminish the authority of the Secretary to—

(1) consolidate, eliminate, abolish, or redistribute the functions or missions of facilities in the Department;

(2) revise the functions or missions of any such facility or activity; or

(3) create new facilities or activities in the Department.

#### **SEC. 108. COUNSELING AND TREATMENT FOR VETERANS WHO HAVE EXPERIENCED SEXUAL TRAUMA.**

(a) EXTENSION OF PERIOD OF PROGRAM.—Subsection (a) of section 1720D is amended—

(1) in paragraph (1), by striking “December 31, 2001” and inserting “December 31, 2002”; and

(2) in paragraph (3), by striking “December 31, 2001” and inserting “December 31, 2002”.

(b) MANDATORY NATURE OF PROGRAM.—(1) Subsection (a)(1) of such section is further amended by striking “may provide counseling to a veteran who the Secretary determines requires such counseling” and inserting “shall operate a program under which the Secretary provides counseling and appropriate care and services to veterans who the Secretary determines require such counseling and care and services”.

(2) Subsection (a) of such section is further amended—

(A) by striking paragraph (2); and

(B) by redesignating paragraph (3) as amended by subsection (a)(2) as paragraph (2).

(c) OUTREACH EFFORTS.—Subsection (c) of such section is amended—

(1) by inserting “and treatment” in the first sentence and in paragraph (2) after “counseling”;

(2) by striking “and” at the end of paragraph (1);

(3) by redesignating paragraph (2) as paragraph (3); and

(4) by inserting after paragraph (1) the following new paragraph (2):

“(2) shall ensure that information about the counseling and treatment available to veterans under this section—

“(A) is revised and updated as appropriate;

“(B) is made available and visibly posted at appropriate facilities of the Department; and

“(C) is made available through appropriate public information services; and”.

(d) REPORT ON IMPLEMENTATION OF OUTREACH ACTIVITIES.—Not later than six months after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the Secretary's implementation of paragraph (2) of section 1720D(c) of title 38, United States Code, as added by subsection (c). Such report shall include examples of the documents and other means of communication developed for compliance with that paragraph.

(e) STUDY OF EXPANDING ELIGIBILITY FOR COUNSELING AND TREATMENT.—(1) The Secretary of Veterans Affairs, in consultation with the Secretary of Defense, shall conduct a study to determine—

(A) the extent to which former members of the reserve components of the Armed Forces experienced physical assault of a sexual nature or battery of a sexual nature while serving on active duty for training;

(B) the extent to which such former members have sought counseling from the Department of Veterans Affairs relating to those incidents; and

(C) the additional resources that, in the judgment of the Secretary, would be required to meet the projected need of those former members for such counseling.

(2) Not later than 18 months after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the results of the study conducted under paragraph (1).

(f) OVERSIGHT OF OUTREACH ACTIVITIES.—Not later than 14 months after the date of the enactment of this Act, the Secretary of Veterans Affairs and the Secretary of Defense shall submit to the appropriate congressional committees a joint report describing in detail the collaborative efforts of the Department of Veterans Affairs and the Department of Defense to ensure that members of the Armed Forces, upon separation from active military, naval, or air service, are provided appropriate and current information about programs of the Department of Veterans Affairs to provide counseling and treatment for sexual trauma that may have been experienced by those members while in the active military, naval, or air service, including information about eligibility requirements for, and procedures for applying for, such counseling and treatment. The report shall include proposed recommendations from both the Secretary of Veterans Affairs and the Secretary of Defense for the improvement of their collaborative efforts to provide such information.

(g) REPORT ON IMPLEMENTATION OF SEXUAL TRAUMA TREATMENT PROGRAM.—Not later than 14 months after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the use made of the authority provided under section 1720D of title 38, United States Code, as amended by this section. The report shall include the following with respect to activities under that section since the enactment of this Act:

(1) The number of veterans who have received counseling under that section.

(2) The number of veterans who have been referred to non-Department mental health facilities and providers in connection with sexual trauma counseling and treatment.

#### **TITLE II—PROGRAM ADMINISTRATION**

##### **SEC. 201. MEDICAL CARE COLLECTIONS.**

(a) LIMITED AUTHORITY TO SET COPAYMENTS.—(1) Section 1722A is amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively;

(B) by inserting after subsection (a) the following new subsection (b):

“(b) The Secretary, pursuant to regulations which the Secretary shall prescribe, may—

“(1) increase the copayment amount in effect under subsection (a);

“(2) establish a maximum annual pharmaceutical copayment amount under subsection (a) for veterans who have multiple outpatient prescriptions; and

“(3) require a veteran, other than a veteran described in subsection (a)(3), to pay to the United States a reasonable copayment for sensori-neural aids, electronic equipment, and any other costly item or equipment furnished the veteran for a nonservice-connected condition, other than a wheelchair or artificial limb.”; and

(C) in subsection (c), as redesignated by subparagraph (A)—

(i) by striking “this section” and inserting “subsection (a)”;

(ii) by adding at the end the following new sentence: “Amounts collected through use of the authority under subsection (b) shall be deposited in Department of Veterans Affairs Health Services Improvement Fund.”.

(2)(A) The heading of such section is amended to read as follows:

**“§1722A. Copayments for medications and certain costly items and equipment”.**

(B) The item relating to such section in the table of sections at the beginning of chapter 17 is amended to read as follows:

“1722A. Copayments for medications and certain costly items and equipment.”.

(b) OUTPATIENT TREATMENT OF CATEGORY C VETERANS.—(1) Section 1710(g) is amended—

(A) in paragraph (1), by striking “the amount under paragraph (2) of this subsection” and inserting “in the case of each outpatient visit the applicable amount or amounts established by the Secretary by regulation”; and

(B) in paragraph (2), by striking all after “for an amount” and inserting “which the Secretary shall establish by regulation.”.

##### **SEC. 202. HEALTH SERVICES IMPROVEMENT FUND.**

(a) ESTABLISHMENT OF FUND.—Chapter 17 is amended by inserting after section 1729A the following new section:

##### **“§1729B. Health Services Improvement Fund**

“(a) There is established in the Treasury of the United States a fund to be known as the ‘Department of Veterans Affairs Health Services Improvement Fund’.

“(b) Amounts received or collected after the date of the enactment of this section under any of the following provisions of law shall be deposited in the fund:

“(1) Section 1713A of this title.

“(2) Section 1722A(b) of this title.

“(3) Section 8165(a) of this title.

“(4) Section 104(c) of the Veterans' Millennium Health Care Act.

“(c) Amounts in the fund are hereby available, without fiscal year limitation, to the Secretary for the purposes stated in subparagraphs (A) and (B) of section 1729A(c)(1) of this title.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is